

**draft**

approved 2015-07-09

Finance Committee - Meeting Minutes**Thursday, June 11, 2015****4:00 pm****Call to Order:** 4:05pm by Trustee Guzzo**Pledge of Allegiance****Roll Call:**CommitteeChair, Trustee Guzzo
Mayor Gunter
Trustee Barker
Trustee Addington (4:10)
Trustee Nero (4:20)StaffManager May
Director Parker
Chief Mulhearn
Chief Weiss
Jacki Garvey
Director Ziegler (4:12)
Rose Gross (4:20)Guests

~none

Minutes approved: 4/30/2015 - 1st Barker and 2nd Gunter**Unfinished Business:** None**New Business:****Water Billing - Late Penalty Policy**

Director Parker reviewed the policy for water late fees that has been established previously, allowing staff to be able to waive a late fee for a customer once in a 12 month period.

Traditionally people have been told that if they request an additional late fee, then the resident would have to go before the Village Board as any fee waiver would have to go before the Village Board to have it waived. Manager May said that staff does not have the authority to waive any fees ever, administratively the board has given approval for 1 fee to be waived annually.

Director Parker states that in reviewing this standard practice, documentation of this decision has not been found so it is being brought to the committee for review. Additionally, in the last month or so we have had 2 requests to appear before the board to request a waiver of fees. The first one is Winston Management, this is on tonight's agenda. The second one is recent and it is a resident with a second fee of \$5.00. This item is being brought up for review. Is the board comfortable with the practice of staff waiving a late fee once a year? Trustee Guzzo stated that she has no problem with the practice. Trustee Barker stated that he believes this item has been discussed previously and he would like an annual report on what has been waived, be it water bill late fees

or special use fees and construction fees.

Trustee Guzzo asked if the requests were more from businesses or residents? Director Parker introduced Utility Billing Clerk Garvey to answer the question. Ms Garvey stated that the requests normally come from homeowners, very rarely does it come from a business. Director Parker asked if the committee would set a policy on handling a resident/business to have multiple fee waivers in a single year. Is having a resident/business placed as an item on a board agenda how the committee feels this should be handled? Is a dollar limit for this preferred; do you want a resident to come before you for a \$5.00 refund?

A decision was made that a \$50.00 minimum limit was set to have it come before the board as an agenda item. Director May stated it might be better suited to a committee level for vetting the requests. As the Finance Committee is a committee of the board and meets every 4 weeks, a report on fees waived or a request for multiple fees waived can be brought to the committee. Director Parker then stated that the requests will come to the Finance Committee before multiple fees are waived.

Director Parker announced that on tonight's agenda is a fee waiver item from Winston Management, Williamsport Condo Community's new management office. Winston Management has had 2 late fees recently and has now set up direct debit to keep this from again occurring. Manager May asked Director Parker to explain how long it was late and why. Director Parker stated that this second payment was only 2 days late, due to staff changes and the belief that after the first late payment the steps had been taken to correct the situation.

Trustee Guzzo stated that she read the letter and it was a compelling argument. Mayor Gunter asked Director Parker if he was comfortable with the situation? Director Parker said that with the direct pay set up so it was not going to be a recurring problem he was comfortable. Manager May said that we could set up the policy to state that we would only consider waiving the second fee if a direct debit was set up.

Engagement of an Actuary

There are 2 reports that an actuary is required for the reporting required by the Government Accounting Standards Board(GASB). One is regarding the health insurance benefits given to retirees is an implicit benefit, the cost being lower than the open market cost of health insurance. The State believes that this is the Village subsidizing a part of the cost of the retirees insurance. This requires an actuary to perform the calculation for the State of IL reporting on the cost of this benefit. The Mayor asked if the engagement of an actuary is the only cost of this benefit for retirees? Director Parker confirmed that it is the only cost, we do budget for this cost every few years. It is for recording keeping.

The second item is not budgeted. It is a change in requirements by the Government Accounting Standards Board. Historically we have one report that tells us how much we should put aside each year for pension purposes. Now, with the changes in financial report requirements there are more calculations that need to be done for the Police Pension and the Fire Pension. Trustee Guzzo asked for confirmation that this report requirement was not budgeted? Director Parker confirmed that it was not, as the required reports were an unknown during budget development.

Additional Reports:

Director Parker reminded everyone that the appropriations ordinance would be coming up soon, it is the annual ordinance that authorizes the Village to spend money on behalf of the residents. It is scheduled to be on the July 23, 2015 agenda. The notice that this will be available for review in advance of the meeting is scheduled to be published in the newspaper on July 8th. The amount of the appropriations ordinance is legally required to be higher than the amount we will levy in property taxes. It is not the amount we have in our budget.

The capital management services request for information is out to vendors and we have reviewed the different models other communities use. At next month's meeting the information should be ready to be presented, interest rates are moving so the time to act is now. We have requests out to both local and national vendors.

The Finance Department is also researching purchasing cards, contacting vendors and reviewing policies other communities have in place. The goal is to streamline accountability for departmental purchases.

Illinois Metropolitan Investment Fund is still working towards recouping the losses of the entities that were affected by the fraudulent activities of the fund managers. We have had a few small payments, we are expecting a larger payment soon. The fund manager's assets are being sold at the end of July. After that we will have more of an idea of the loss if any that the Village has suffered.

The stormwater tax increase of 1/2 percent will go into effect soon and a document has gone out to businesses via the chamber reminding business owners to check with the State on their tax rates, that it is increasing. Trustee Guzzo asked how often sales tax is received from the State. Director Parker explained that we receive funds monthly, however it is delayed a few months. Example, it is July and the payment received is a few months arrears, so the July payment is received in October. Mayor Gunter asked what fiscal year we report the payment in? Director Parker said we report it in the month it was collected. The financial reports in the next board packet will show the delays and collections.

Trustee Barker asked if Director Parker had any news on what the Governor is doing with the State budget? Director Parker replied he had not heard anything, asking Manager May what information he has received? Manager May stated that the State was in recess and ready to reconvene, and the cycle repeats. Mayor Gunter commented that the give and take had not started yet.

Motion to Adjourn: First Trustee Barker and second Trustee Guzzo

Adjourn: 4:24pm